

James Madison to Wilson Cary Nicholas, October 5, 1816. Transcription: The Writings of James Madison, ed. Gaillard Hunt. New York: G.P. Putnam's Sons, 1900-1910.

TO WILSON CARY NICHOLAS.¹

¹ From the original in the New York Public Library (Lenox).

Montpellier Oct. 5. 1816.

Dear Sir I have recd. yours of the 30th. ult.² It will afford me pleasure to promote your wishes in behalf of Mr. Armistead; and the pleasure will be increased by my recollection of the period & persons to whom you allude. It is incumbent on me at the same time to remark that it is the usage, to leave to the heads of Depts. the selection of their own clks. which the law vests in their discretion & responsibility; that they generally have their preferences often founded on relations of friendship and personal confidence; and there is always depending a list of applicants for the few vacancies which occur, some of which pretensions may have peculiar force. My connection with such appointments is much less therefore than might be supposed, and I mention it that in the

event of disappointment it may not be inferred that I have been insensible or inattentive to the object you so justly have at heart.

² Applying for a clerkship for Mr. Armistead.— *Mad. MSS.*

Mr. Dallas has & will have explained so fully his measures with the grounds of them, that I need say very little on the subject. If any have supposed him not conciliatory toward the Banks, they have done him great injustice. As to the epoch of enforcing specie payments

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the law had fixed on the 20th. of Feby. next; with an evident obligation on him to anticipate it if practicable. Many of the Banks, instead of co-operating with him for the latter purpose, have announced purposes at variance with the positive injunctions of the law. It can scarcely be doubted that if the Banks had concerted a general concurrence with the views of the Treasury, the former confidence & currency would have been easily re-established by the time fixed by Congress, and probably sooner. Nor can it well be doubted that such a concert would have taken place, if the Bank dividends had been as much favored by the effort, as they might, at least for a time, be reduced by it. I am far from applying these remarks to all the Banks. There are exceptions which we could jointly name with equal pleasure. But it is certain that as far as the Banks have not done their duty, they have to answer for the injustice done by a depreciated currency to particular states, to the public creditors, to the Army, to the Navy, and even to private creditors who were in a manner forced to receive their debts in that currency. Had the Banks sold their public stock for their own notes with which they procured it when they could have done so with a liberal profit, or had they agreed to pay interest on their protested notes, whilst they received interest on the paper pledged to them, they would have stood on different ground. But they preferred, too many of them, to these sacrifices, or rather to these acts of justice, an increased issue of notes on a capital as productive nearly as the notes issued

on that basis. Taking the whole subject as we find it, it is not easy to say what Congress, with whom it lies, may decide on. There is sufficient reason to believe that if the crisis requires a relaxation they will not withhold it. But there are indications that a resumption of specie payments, is rapidly becoming practicable and popular. If the demand of Spain to discharge a foreign balance agst. the nation, should not raise the Exchange above the Expence and difficulty of exporting it; the Banks in general will run no risk in uniting at once with the National Banks in restoring health to the currency, and justice to all transactions public & private. . . .